



# Weekly Economic Highlights

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Week Ending  
01<sup>st</sup> April 2016

## 1. INTEREST RATES

### Deposit Rates

During the week ending 1<sup>st</sup> April 2016, average deposit rates for savings and deposits of 1 month and 3 month tenors remained unchanged at 3.03%, 6.57%, and 6.93%, respectively.

**Table 1: Average Deposit Rates**

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
<b>04-Mar-16</b>	2.93	6.57	7.00
<b>11-Mar-16</b>	3.03	6.57	6.93
<b>18-Mar-16</b>	3.03	6.57	6.93
<b>24-Mar-16</b>	3.03	6.57	6.93
<b>01-Apr-16</b>	3.03	6.57	6.93

*Source: Banking Institutions, 2016*

### Lending Rates

Weighted commercial bank lending rates for individuals declined from 11.43% to 11.41%, while those for corporate clients increased to 7.29%, from 7.16% recorded in the previous week.

**Table 2: Lending Rates**

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
<b>04-Mar-16</b>	11.47	7.27
<b>11-Mar-16</b>	11.43	7.31
<b>18-Mar-16</b>	11.50	7.15
<b>24-Mar-16</b>	11.43	7.16
<b>01-Apr-16</b>	11.41	7.29

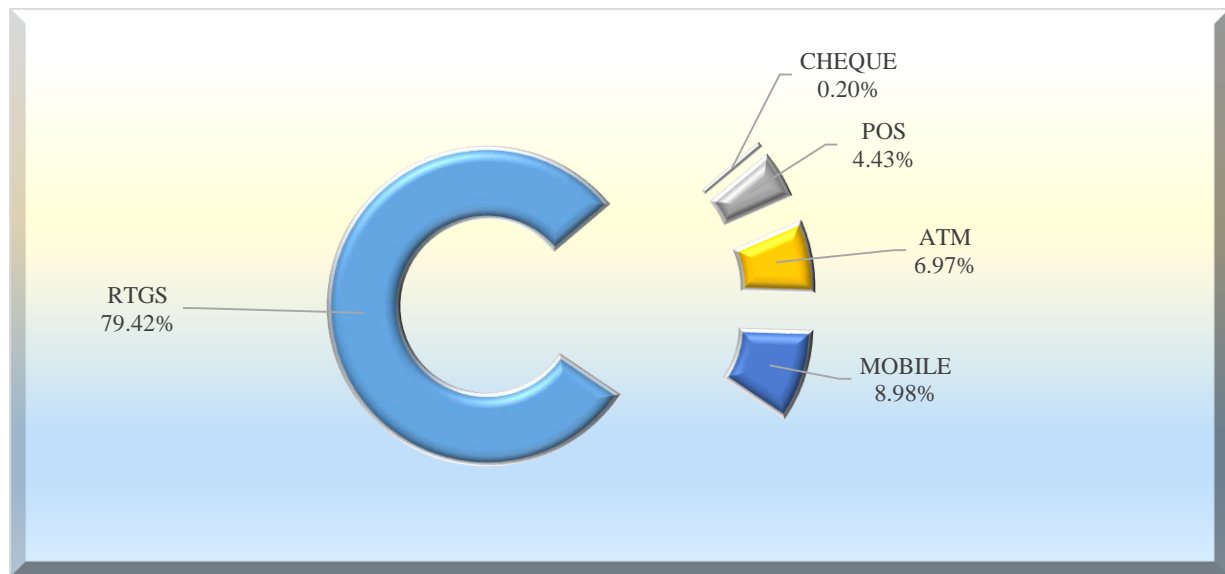
*Source: Banking Institutions, 2016*

## 2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment System (NPS) rose from US\$959.04 million in the previous week, to US\$1 080.07 million during the period under review. Transactions processed through the RTGS system amounted to US\$857.74 million, up from US\$778.61 million registered in the previous week.

RTGS payments accounted for 79.42% of the total value of transactions processed through the NPS, followed by Mobile, 8.98%; Automated Teller Machines (ATMs), 6.97%; Point of Sale (POS), 4.43%; and cheques, 0.20%.

**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

Mobile-Based transactions accounted for 87.72% of the total volume of transactions; POS, 7.06%; ATMs, 4.56%; RTGS, 0.56% and cheques, 0.10%, as shown in Figure 2 below .

**Figure 2: Proportions of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 24 Mar 2016	WEEK ENDING 01 April 2016	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	778.61	857.74	10%	79.42%
<b>CHEQUE</b>	2.07	2.19	6%	0.20%
<b>POS</b>	40.54	47.81	18%	4.43%
<b>ATMS</b>	53.34	75.32	41%	6.97%
<b>MOBILE</b>	84.47	97.01	15%	8.98%
<b>TOTAL</b>	<b>959.04</b>	<b>1,080.07</b>	<b>13%</b>	<b>100%</b>
<b>VOLUMES</b>				
<b>RTGS</b>	31,302	30,377	-3%	0.56%
<b>CHEQUE</b>	5,790	5,222	-10%	0.10%
<b>POS</b>	361,371	382,90	6%	7.06%
<b>ATMs</b>	208,542	247,347	19%	4.56%
<b>MOBILE</b>	4,480,169	4,756,566	6%	87.72%
<b>TOTAL</b>	<b>5,087,174</b>	<b>5,422,411</b>	<b>7%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. TOBACCO SALES

As at 1<sup>st</sup> April 2016 (day 3 of the 2016 tobacco selling season), a cumulative total of 1 433 334 kilograms of tobacco had been sold, representing an 8.64% increase on the total cumulative quantity sold for the same period in 2015.

The golden leaf fetched a lower average price of US\$1.65 per kg, compared to US\$2.42 per kg during the same period in 2015. In value terms, total sales amounted to US\$2.36 million - 26% lower than the US\$3.19 million realised during the corresponding period in 2015.

**Table 4: Cumulative Tobacco Sales: Day 3 (01/04/16)**

	2015	2016	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	1,319,39343	1,433,334	8.64%
<b>Cumulative Average Price(US\$/kg)</b>	2.42	1.65	-31.8%
<b>Cumulative Value (US\$ million)</b>	3,190,585	2,363,382	-26.00%

*Source: Tobacco Industry and Marketing Board*

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 1<sup>st</sup> April 2016, the international commodity prices of gold, platinum, copper, nickel, and Brent crude oil retreated, as shown in Table 4 below.

**Table 4: Metals and Crude Oil Prices**

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2016	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (21-24 March)</b>	<b>1,235.09</b>	<b>971.25</b>	<b>5,001.50</b>	<b>8,632.50</b>	<b>40.93</b>
<b>29-Mar</b>	1,221.23	946.50	4,939.50	8,570.00	39.32
<b>30-Mar</b>	1,237.23	970.50	4,935.00	8,425.00	39.29
<b>31-Mar</b>	1,235.30	976.00	4,855.00	8,280.00	39.60
<b>1-Apr</b>	1,222.85	969.50	4,880.00	8,280.00	38.73
<b>Weekly Average (24 March–1 Apr)</b>	<b>1,229.15</b>	<b>965.63</b>	<b>4,902.38</b>	<b>8,388.75</b>	<b>39.24</b>
<b>Weekly Change (%)</b>	<b>-0.5</b>	<b>-0.6</b>	<b>-2.0</b>	<b>-2.8</b>	<b>-4.1</b>

Source: BBC, KITCO, Reuters and Bloomberg

### Gold

The weekly average price of gold declined by 0.50%, from a weekly average of US\$1 235.09/oz in the previous week, to close the week under review at US\$1 229.15/oz. The decline was largely attributed to the strengthening of the US dollar,

### Platinum

Platinum prices fell by 0.60%, to close the week under review at US\$935.63/oz, down from US\$971.25/oz recorded in the previous week, on the back of a strengthening US dollar.

## **Copper**

Copper prices registered a 2.0% decline, from a weekly average of US\$5 001.50/tonne to close the week under analysis at an average of US\$4 902.38 /tonne. This followed concerns over the weakening demand outlook in China, the world's largest consumer of the base metal.

## **Nickel**

Nickel prices retreated by 2.8%, from weekly average of US\$8 632.50/tonne to close the week under analysis at an average of US\$8 388.75/tonne, due to a slump in demand.

## **Brent crude oil**

Brent crude oil prices retreated by 4.1%, from a weekly average of US\$40.93/barrel to US\$39.24/barrel during the week under review. Global oversupply concerns, largely driven by increased exports from Iran and Iraq, in large part, explained the price decline.

## 5. EQUITY MARKETS

During the week ending 1<sup>st</sup> April 2016, the mainstream index recorded a decline of 0.38 points, to close the week under review at 98.18 points. The resources index, however, remained unchanged at 19.53 points.

The industrial index was largely weighed down by losses in Hippo Valley Estates (25.55%), Dawn Properties (19.50%), Edgars (7.41%), National Foods (3.38%) and PPC (0.36%).

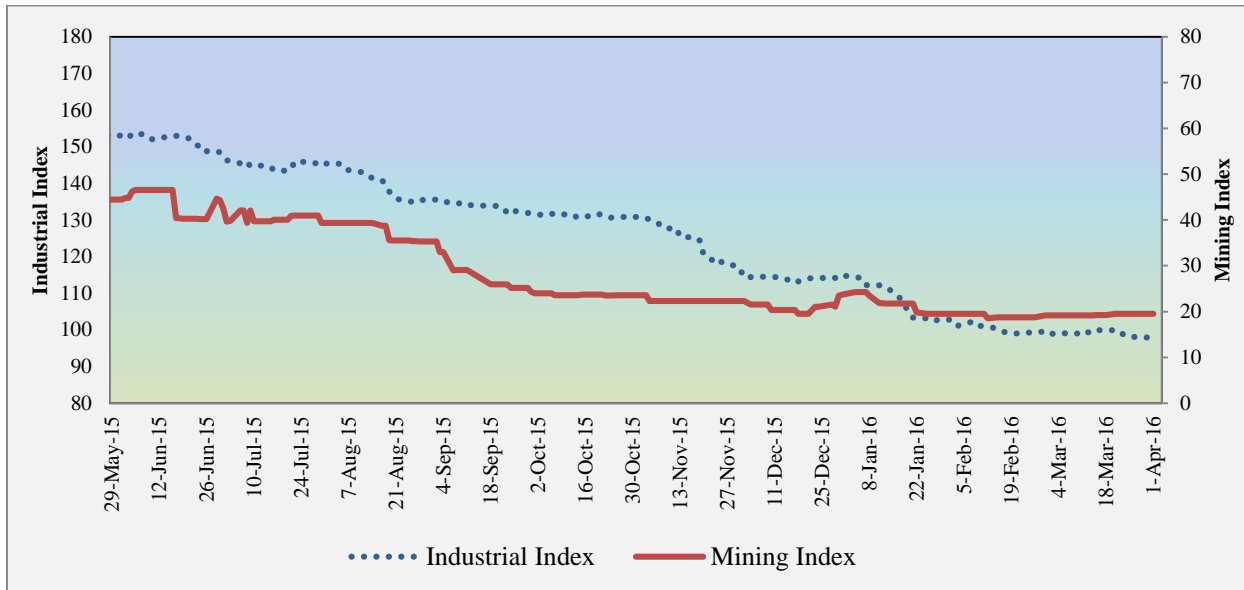
**Table 5: Zimbabwe Stock Exchange (ZSE) Statistics**

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
04-Mar	98.80	19.14	2,676,267,846	1,468,435	15,214,996
11-Mar	99.81	19.14	2,703,197,391	5,164,124	31,518,794
18-Mar	99.86	19.22	2,704,672,600	4,899,095	19,225,544
24-Mar	98.18	19.53	2,660,399,955	3,045,468	12,430,036
01-Apr	97.80	19.53	2,650,162,418	2,407,184	24,537,860
Weekly Change (%)	(0.39)	0	(0.38)	(20.96)	97.41

Source: Zimbabwe Stock Exchange (ZSE), 2016



**Figure 3 : Zimbabwe Stock Exchange Indices**

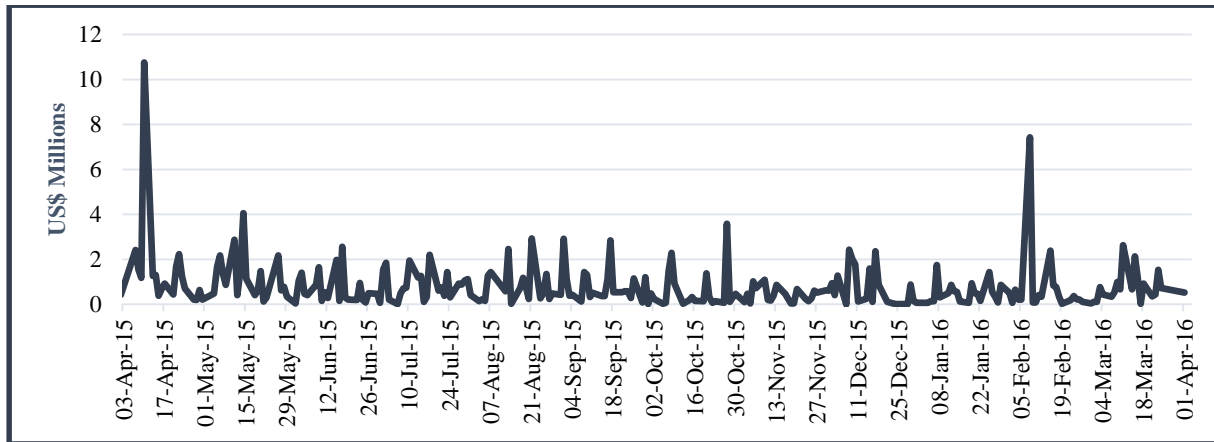


Source: Zimbabwe Stock Exchange, 2016

**Market Turnover and Volume**

The ZSE market turnover declined by 20.96%, from US\$3.05million recorded in the previous week to US\$2.41million during the week ending 01<sup>st</sup> April 2016. The volume of shares traded, however, increased by 97.41% to 24 537 860 shares in the same week.

**Figure 4: Daily Market Turnover**

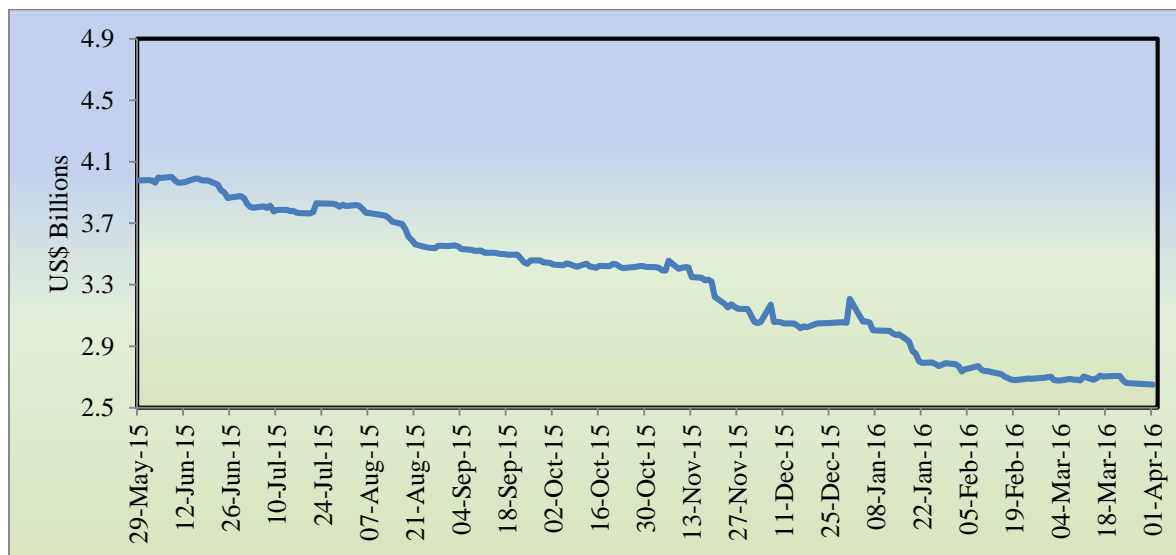


Source: Zimbabwe Stock Exchange, 2016

### Market Capitalisation

The ZSE market capitalization declined by US\$10.2 million, from US\$2 660.40 million in the previous week, to close the week ending 1<sup>st</sup> April 2016 at US\$2 650.16 million. This was on account of negative trading on the bourse.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2016

## Johannesburg Stock Exchange (JSE) Developments

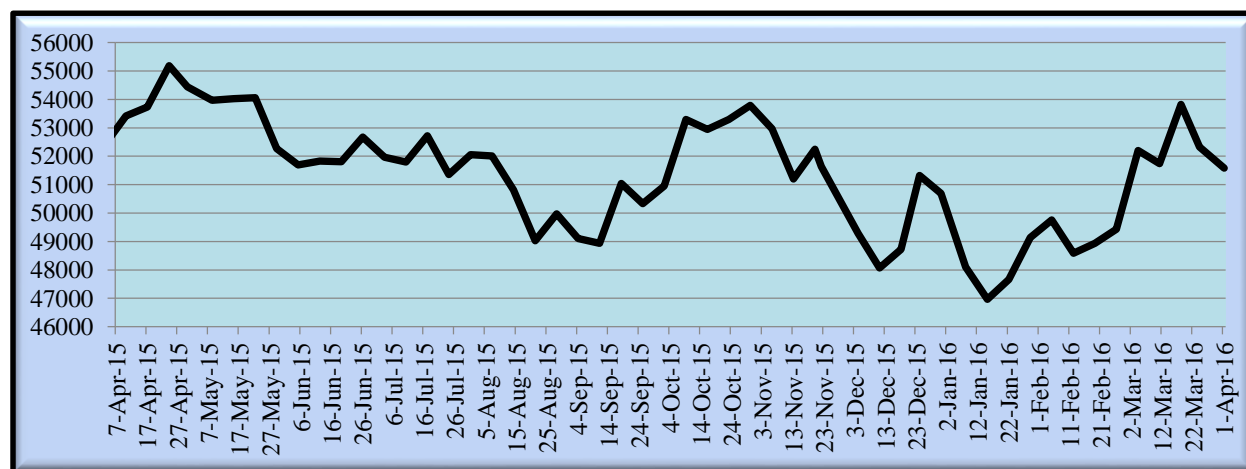
During the week ending 1<sup>st</sup> April 2016, the JSE All Share index declined to 51,584.13 points, from 52,323.78 points recorded in the previous week. Consequently, the JSE market capitalization closed the week at R15.09 trillion, down from R15.34 trillion registered in the previous week.

**Table 6: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalisation (R trillion)
04-Mar-16	52,200.71	15.19
11-Mar-16	51,739.83	15.08
18-Mar-16	53,824.28	15.63
24-Mar-16	52,323.78	15.34
07-Apr-16	51,584.13	15.09

Source: <https://www.jse.co.za/services/market-data/market-statistics>

**Figure 6: Johannesburg Stock Exchange (JSE) All Share Index**



Source: <https://www.jse.co.za/services/market-data/market-statistics>

## RESERVE BANK OF ZIMBABWE

1<sup>ST</sup> APRIL 2016